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homemakers' chat

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U. S. DEPARTMENT
OF AGRICULTURE

Monday, May 8, 1944.

Subject: "HOW POINT VALUES ARE SET." Information from the Office of Price Administration.

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People sometimes wonder just how the OPA decides how many points the homemakers should pay for rationed foods, and how it happens that foods become "no-point, low-point" items from time to time. Point values are set every month, or oftener if necessary. This doesn't mean they are all changed. OPA may decide to leave the points for some foods just the same. But the food situation changes, so OPA has to go over all the considerations that affected the original rationing.

This is not a complicated problem is higher mathematics, but it is a job requiring common sense and good business judgment. To begin with, the War Food Administration has committees that estimate the total food on hand and expected for months to come. This supply is divided up, or "allocated", as seems best for the war situation. Last year, 75 percent of the food supply went to civilians, 13 percent to our armed forces, 10 percent to our fighting allies, 2 percent to neighboring countries and outlying American territories.

OPA is concerned only with the part for civilians---75 percent in 1943. But it has to take several things into consideration with each kind of food. For example, if the actual production is greater or less than was expected, supplies will change. We saw that happen with lard. Supplies of hogs turned out greater than expected. That meant more lard coming on the market than could be stored, so point values were reduced. Sometimes the armed forces do not need their entire allotment. They may release more for civilians here at home. This has happened several times within the past year.

OPA calls for a special kind of help from about 3,000 housewives, living in every State, and representing a cross section of American families with different incomes.

Each week these women report what they have bought. It may be peas or beans, sirloin steak, pork or butter, margarine or canned peaches. From these reports the food people can figure accurately what Americans have eaten during the current rationing period. This gives them a check on food supplies still on hand, and a guide to how much people are likely to want.

Of course food is not all produced in even amounts the year around. Some vegetables are packed in the early spring, some in summer, some in late fall. Butter-making fluctuates with the season. And most beef and hogs come to market in the fall or winter. OPA has to keep a constant check on these and all rationed foods. It's OPA's job to spread the scarce foods until more is due on the market. For example, OPA does not want to let the supply of canned and frozen foods run low if no new supply can be packed for a long time.

The problem of always having enough fresh meat in the markets is equally important. Farmers often bring cattle and hogs to market when the cost of their feed does not warrant keeping them. The space in cold storage for keeping this meat is limited. There's a limit, too, on how long meats can stay in cold storage. OPA watches meat supplies constantly to prevent too much in some seasons and too little in others.

The committee that sets the ration points has tables for each kind of processed food, showing what the demand is at different seasons. Take canned tomatoes. Retail sales are lowest in April, May, June and July. People can get fresh tomatoes from the south in April and May, and garden tomatoes in all parts of the country in June and July. On the other hand, sales of canned tomatoes increase in September and October. In normal times housewives stock up on canned tomatoes from the new pack. These tables, or estimates, are a guide to the demand for each kind of food.

The housewife's buying power is limited by the number of "points" she has in her ration book, as well as by the price of what she wants to buy. She often has to choose between foods which would not compete with each other if there were enough of both. She has to decide whether she will use her red points for sirloin steak or

butter---cheese or canned fish---whether to buy canned peas or canned peaches with
ter blue points. OPA has to consider this competition when setting point values.
Just now, the finer cuts of beef are in greater demand than ever before. Many people
have more money to spend than they used to. But the proportion of the finer cuts
in a steer has not changed. If the demand for a given food is too great, OPA has to
discourage buying by stepping up point values---possibly only for a short time, until
the supply is better. On the other hand, if people are buying a certain food too
slowly, low points or no points encourage housewives to buy these things and go easy
on the scarce or "high point" items.

Finally, OPA has to consider how many points are likely to remain unspent dur-
ing a ration period. They know how many books they have issued. But many people
eat part or all of their meals in public eating places. They will not use all of
their points. Farm families produce many of the foods city families have to buy;
so farm families seldom need all their ration points. And there are always some
families that do not buy their full rations for other reasons, and do not spend all
their points. Point values can be kept lower because the points won't all be spent.

Taking all these problems into consideration, the final figuring of the points
set for each ration period is a matter of simple arithmetic. There's nothing my-
sterious about it. But it is a lot of work for the people who are trying to help
you and me and everybody else to "Share and play square" with our food supplies.

